

**Imperial Valley Study Group
Transmission Planning Collaborative
DRAFT Meeting Minutes: February 10, 2005**

Attendees:

Glenn Steiger - IID Energy
Frank Barbera - IID Energy
Juan C. Sandoval – IID
Ron Davis - Davis Power
Son Hoang – LADWP
Brian Keel – SRP
Connie Bruins – CEC
Greg Merrigan – CalEnergy
Ken Bagley - CRT Committee
Greg Griffith - Ormat
Duane Torgerson – WAPA
Richard Cabanilla - Imperial County Plng
Mike Evans - Coral Power
Sudath Arachchige - CEC
Raul Adame - CFE

Dave Geier – SDG&E
Robert Jackson – SDG&E
David Barajas – IID
Mark Etherton – IID
Jorge Chacon - SCE (by phone)
John Kyei - CAISO
Phillip Leung – SCE
Dave Olsen – CEERT/CEC
Dale Stevens – CalEnergy
Susan Lee - Aspen Environmental
Lauren Weinstein - EPG
David Lawhead - State Parks
Jim Kritikson - consultant
Alberto Gonzalez - CFE
Jose Santamaria - CFE

The meeting convened at 11:30 AM at SDG&E in San Diego. Minutes were recorded by Dave Olsen.

Minutes of the November 18, 2004 meeting were approved. They will be posted on the IVSG website, www.energy.ca.gov/ivsg/.

Glenn Steiger, Manager of IID Energy, and Frank Barbera, Assistant Manager, gave a presentation on IID Energy's growth and plans, including its interest in exporting renewable energy from the Imperial Valley. IID is preparing a white paper on this subject; it will be posted on the IVSG website as soon as it is available.

Dave Geier, SDG&E Vice President of Electric Transmission & Distribution, told the meeting about SDG&E's critical reliability need for new transmission, and the importance of collaborative planning to meet such needs. Jorge Chacon, SCE's lead on the Tehachapi Study Group transmission planning collaborative, outlined SCE's petition to FERC for a Declaratory Order resolving cost recovery issues for transmission built to implement California's renewable energy procurement law. The IVSG will address cost recovery issues later in its work.

Technical Studies Update: IVSG Technical Work Group members presented a status report on the power flow modeling being performed on our initial study alternatives. David Barajas of IID reviewed the five alternative configurations being studied. He emphasized the feasibility of the upgrades in the IID service area, where much of the infrastructure is already in place and there is space available to expand all of the affected substations. Many of the upgrades to the IID system will optimize the use of existing assets.

For a description and schematic diagrams of the five study alternatives, please refer to the presentation by David Barajas posted on the IVSG website for the February 10, 2005 meeting.

Robert Jackson of SDG&E explained the development of the base cases, the process we are using to study the five alternatives and our schedule.

Power Marketing: Greg Merrigan of CalEnergy gave a presentation of MidAmerican's capabilities and experience operating the geothermal plants at the Salton Sea. The company believes there is a very high likelihood that it will be able to sign power purchase agreements for 600 MW of geothermal power before 2010; it has plans to sell an additional 1,200 MW of geothermal power from the Salton Sea after 2013. Greg Griffith of Ormat said that company plans to sell 20 MW of geothermal power from its Heber and East Mesa resource areas in the next two years. It is working on a longer-term development plan for those areas.

Permitting/Land Use Planning: Richard Cabanilla of the Imperial County Planning Department outlined permitting issues in the county. The most recent (1998) county General Plan includes 1,950 MW of geothermal development potential. The county updates its General Plan four times/year. There are nine Known Geothermal Resource Areas (KGRAs) in the county; four of them, including Salton Sea, Heber and Brawley have master EIRs. These master EIRs are good baseline documents for future permitting work.

The environmental document for the transmission upgrade plan will be a joint NEPA/CEQA document. BLM will have to be involved. The BLM Desert Conservation Plan does not now include IID's proposed transmission corridors. Richard advised that we make the BLM El Centro office and Riverside headquarters office aware of everything the IVSG does. The BLM is understaffed, and is being sued over its Desert Conservation Plan. Because of this, the BLM, and not the County, will likely be the hang-up in permitting IVSG transmission upgrades. The US Fish and Wildlife Service office in Carlsbad will also need to be involved.

For impacts to county roads, both the County Public Works Department and Caltrans District 11 (San Diego) will be involved.

Dave Lawhead of the California Department of Parks confirmed that BLM will be the NEPA/CEQA lead, and that the environmental work would be a joint effort of BLM, Imperial County and IID (for transmission lines in Imperial County). BLM will have to do a Section 7 consultation covering big-horn sheep and the flat-tailed lizard. Our studies must also consider any growth-inducing impacts of new generation/transmission construction; and seismic issues. He recommended that the IVSG support the lead agency to fund a full-time temporary position to work on the studies/permitting of the generation/transmission development.

State Parks is a trustee agency charged with the preservation of biological and cultural resources. It has worked out an agreement with SDG&E to put a new 500 kV line from San Felipe through Anza-Borrego State Park using the corridor of an existing low voltage line. This will consolidate the necessary improvements into existing disturbed areas. The new larger towers will require one-third as many foundations, but some of them may be at archeologically sensitive sites. The taller towers will have an effect on the surrounding wilderness areas.

Expanding the Study Group: It's imperative that we learn of any potential fatal flaws to any of the generation/transmission alternatives we are studying now, at the beginning of this planning process. We need to broaden participation in the Study Group to include agencies/organizations that can advise us in this work and help support the plan we ultimately recommend. Suggestions for organizations to recruit include:

- Native American tribes in the region
- The Naval Air Facility in El Centro, and March Air Force Base in Riverside, because of concerns about the impact of transmission towers on low-level training flights.
- Imperial County Farm Bureau
- Bob Bower, CAD manager at BLM-El Centro has maps/can generate useful maps
- Nevada Power Company. IID will invite them to participate.
- The Western Governors Association. Given the WGA resolution (co-authored by Gov. Schwarzenegger) to study the addition of 30,000 MW of clean energy to the WECC grid by 2020, we should seek WGA support for the work of the IVSG.
- Environmental groups, especially the Sierra Club Mojave Desert chapter.

Next Meetings: The next meeting is scheduled for April 12, 2005, 1:00 - 3:30 PM, at SDG&E in San Diego. The Technical Work Group is meeting earlier that day in the same location. It was suggested that we have the May/June meeting of the IVSG in El Centro.

The meeting was adjourned at 3:00 PM.